

STAND. COM. REP. NO.

318

Honolulu, Hawaii

February 14, 2017

RE: H.B. No. 598

H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 598 entitled:

"A BILL FOR AN ACT RELATING TO CYBERSECURITY,"

begs leave to report as follows:

The purpose of this measure is to transfer the Hawaii Cybersecurity, Economic, Education, and Infrastructure Security Coordinator from the Department of Defense to the Office of Enterprise Technology Services. In addition, this bill provides that the coordinator shall be selected by the Chief Information Officer rather than the Adjutant General.

For purposes of a public hearing, your Committee circulated a proposed H.D. 1 (Proposed Draft) of the measure and notified the public that your Committee would be accepting testimony on the Proposed Draft, which deleted the contents of H.B. 598, and inserted provisions that establish a Cyber Hawaii pilot project within the Office of the Vice President for Research and Innovation at the University of Hawaii. The Cyber Hawaii pilot project will plan, develop, and implement a cyber ecosystem that addresses the many aspects of cybersecurity.

Your Committee received testimony in support of the proposed draft from the Department of Labor and Industrial Relations, Office of Enterprise Technology Services, University of Hawaii System, Department of Education, Referentia Systems Incorporated, the Chamber of Commerce Hawaii, and one concerned individual.

HB598 HD1 HSCR LRB 17-1056.doc



Your Committee finds that cybersecurity is becoming increasingly important as Hawaii residents, businesses, and organizations rely increasingly on online networks that can create potential vulnerabilities and exploits of which many persons may be unaware. Your Committee further finds that the University of Hawaii is an appropriate coordinator for a statewide cybersecurity pilot project due to its ongoing cybersecurity research, education, and workforce development initiatives, as well as its active engagements and partnerships with various federal government and military entities and private organizations.

Your Committee has amended this measure by adopting the Proposed Draft and amending it further by:

- (1) Making technical, nonsubstantive changes for purposes of style, clarity, and consistency; and
- (2) Changing the effective date to July 1, 2038 to facilitate further discussion on the measure.

Your Committee respectfully requests that your Committee on Finance consider appropriating the amount of \$200,000 to the University of Hawaii for the purposes of implementing this pilot project.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 598, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 598, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Economic
Development & Business,



MARK M. NAKASHIMA, Chair



